



STATE OF CONNECTICUT

DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

Deidre S. Gifford, MD, MPH
Commissioner

September 30, 2019

Telephone
(860) 424-5053

Facsimile
(860) 424-5057

TDD/TTY
1-800-842-4524

Email
Commis.dss@ct.gov

To: Hospital Executives

Re: **Medicaid Hospital Supplemental Payments Subject to Federal Approval**

Dear Hospital Executive:

As you know, the State and the Connecticut Hospital Association continue to meet to negotiate a settlement agreement of the hospitals' outstanding legal claims against the State regarding the first hospital user fee and Medicaid rates. Federal rules require Medicaid State Plan Amendments (SPAs) to be submitted by September 30, 2019 to retain a July 1, 2019 effective date. As a settlement agreement (along with associated legislation) has not been finalized, the State will submit the SPAs for the State Fiscal Year (SFY) 2020 and 2021 biennium using the supplemental payment appropriation enacted into current law by the General Assembly in Public Act 19-117 and using the supplemental payment pools and methodologies that were in place for SFY 2019. If and when a settlement agreement is finalized (including legislative approval of the settlement and adoption of implementing legislation), DSS intends to update the SPA submissions to reflect those terms and also intends to update payments as appropriate.

DSS has chosen to make the SFY 2020 first quarter supplemental payments to the hospitals as described above, even though applicable federal approval has not yet been received. These payments are subject to federal approval, which includes, but is not limited to, approval of applicable SPAs from the U.S. Centers for Medicare and Medicaid Services (CMS). If necessary federal approval is not obtained, then DSS will recover these payments, which may include recoupment against other claims. If necessary federal approval is initially granted but is later rescinded or invalidated, DSS will recover these payments as necessary to ensure that all payments remain in accordance with federal approval.

If you have any questions, please contact Kate McEvoy, Director, Division of Health Services at Kate.McEvoy@ct.gov or (860) 424-5383. Thank you.

Sincerely,

Deidre S. Gifford, MD, MPH
Commissioner

Letter to Hospital Executives
Medicaid Hospital Supplemental Payments Subject to Federal Approval
September 30, 2019

Cc: Kathleen Brennan, Deputy Commissioner
Kate McEvoy, Director, Division of Health Services
Michael Gilbert, Director, Division of Financial Management
Joel Norwood, Office of Legal Counsel